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U.S. DEPARTMENT OF AGRICULTURE  
Foreign Agricultural Service Washington D.C.



LIVESTOCK AND MEAT  
FILM 5-61  
May 1961

## THE LIVESTOCK AND MEAT INDUSTRY IN MEXICO

### Summary

Livestock is raised in all parts of Mexico. The cattle industry in the States along the U.S. border is based on exporting feeder calves and beef to the United States. In other parts of the country the livestock industry is devoted to supplying the domestic market.

Mexico is expected to continue to ship important quantities of cattle and beef to the United States. No significant increase in this trade is foreseen, however, because of the limited range resources in the areas now producing cattle for export, and Government land policy which has discouraged livestock production by greatly reducing the size of individual holdings and putting large areas of pasture land into cultivation.

In the Gulf Coast States there is a large potential for increasing cattle production through the clearing of pasture land and planting in improved grasses. On the other hand, overgrazing, particularly by goats and sheep, has greatly reduced the carrying capacity of vast areas of range land in the central highlands for many years to come. Thus, the more humid coastal region, already a major source of cattle for consumption in Mexico City, is expected to supply a larger proportion in the future.

### Importance Of Livestock Industry

Livestock raising is one of the basic and most important agricultural enterprises in Mexico, and live cattle and beef are among the principal agricultural products which that country exports to the United States. The livestock industry is widely distributed throughout the Republic. Overshadowing the export trade is the domestic market which takes over 90 percent of the total meat production.



Cattle.—Numbers of cattle on farms in Mexico are estimated to have reached an alltime high of 21 million head in 1960. This was an increase of 22 percent over the 1951-55 average, with most of the increase in beef cattle. The beef cow population showed a 44 percent increase between 1956 and 1960, while dairy cow numbers were 24 percent larger. In 1960, 87 percent of total cow numbers were beef animals, and only 13 percent dairy stock.

Cattle are produced in all parts of Mexico but the largest concentration is in the central part, in the States of Jalisco and Michoacan. Beef cattle predominate everywhere, except near the large population centers where practically all of the dairy animals are concentrated.

The greatest increase in cattle numbers in the last decade has been in the northern zones of Mexico. There has also been considerable increase in the Gulf States.

Many Mexican cattle are commonly known as "Criollos," a name applied to cattle descended from those originally imported by the Spaniards. Nearly all of the important breeds of cattle have been introduced into Mexico, but all imports on a significant scale have been within the last 40 years. By far the greatest number of beef breed animals have been Herefords. Brahmans have been imported extensively into the hotter areas along the Gulf Coast for crossing with Crillo stock.

Cattle on most of the large ranches in northern Mexico are of superior quality as a result of extensive use of purebred bulls. About three-fourths of the cattle in these States are virtually purebred Herefords. Many of the herds in the coastal region now contain much Brahman blood; animals, as a result, are more resistant to ticks and more adaptable to the hot climate.

Hogs.—Hog numbers reached a record level of 8.4 million head in 1958, 26 percent over the 1951-55 average. They dropped by almost a half-million head in 1960 because of drought, which created a feed scarcity.

Although hogs are raised in all parts of the country for local consumption, commercial production is concentrated largely in Jalisco which is the main source of supply for the Federal District. There are smaller commercial operations near other centers of population.

Sheep.—Sheep numbers totaling 5.6 million head in 1960 were 11 percent above the 1951-55 average. Although wool production is important, sheep are raised primarily for meat, particularly for consumption in the rural areas.

Goats.—These are over all of Mexico. Except in the dairy cattle areas, they are the primary source of milk. Goat numbers in 1960 were estimated at 9 million head, a figure which has not changed significantly in the past decade. Goats are an important source of meat on small farms and in villages.

#### Factors Affecting Production

The Mexican livestock industry is influenced by both temperature and rainfall. Over most of the country there is a short rainy season and a long dry season. There are extreme variations in annual rainfall in most of Mexico except in



the Gulf area. At times as much as 30 percent of the breeding stock may be lost in some areas, particularly in the northern part of the country, because of the severity of droughts. Cattle production is more hazardous in the coastal regions because of excessive heat and insects. Diseases are more prevalent there than in the higher altitudes of the interior.

Cattle, sheep, and goats subsist almost entirely on pasture. The limited grain production is utilized almost entirely for human consumption, except for the relatively small quantity fed to hogs. The carrying capacity of pastures is limited by the rainfall in most of Mexico. Only certain types of plants are able to withstand the long dry season that occurs regularly over widespread areas. Overgrazing has destroyed the grass cover and changed vast areas into unproductive deserts.

In the lower elevations near the coast, improved varieties of pasture grasses have been planted on a fairly large scale.

On the vast majority of farms and ranches, little or no feed is stored to carry cattle through a dry season, and much could be done to improve feeding methods and to increase productivity of pastures.

Inadequate control of diseases and pests is a serious hindrance to Mexican livestock production. An outbreak of foot-and-mouth disease in 1946 was not brought under complete control until 1955. The resulting forced slaughter of infected cattle and an embargo on exports of live animals to the United States was a tremendous economic loss to Mexican cattle raisers.

In recent years most of the losses from disease have been caused by blackleg, anthrax, and by piroplamosis. Fever-carrying ticks are prevalent in most parts of the country except in some of the States along the U.S. border, where they have been eradicated.

Cattle raising in Mexico has been affected by government land policies and livestock regulations. For a number of years, squatters were allowed to take over land suitable for cultivation within the boundaries of large ranches. As a result, many holdings have been cut into uneconomic parcels and cattlemen have been discouraged from making improvements. Since its inception in 1915, the land reform program has resulted in the expropriation and redistribution of about 100 million acres, about half of which were in pastures.

Since 1942, ranchers have been able to obtain decrees of inalienability guaranteeing protection against seizure of land suitable for grazing only.

In recent years, the Mexican Government has established quotas on cattle and beef exports to assure a sufficient supply of beef for domestic consumption. During periods of oversupply, quotas have been lifted or increased and export taxes reduced.

#### Production Methods

Cattle are raised on many types and sizes of land holdings. Ranches in northern Mexico are large. In other parts of the country pastures are better and tend to be smaller.



Methods of handling cattle vary considerably among different types of ranches and different parts of the country. In the north, cattle are marketed as feeders or stockers because pasturage is insufficient to permit fattening. Grass is more abundant in the Gulf Coast area and cattle are shipped there from other regions for fattening. In the Central Plateau, cattle are usually raised and fattened on the same property. Generally, the cattle as well as the type of management on the ranches that produce for domestic consumption are inferior to those on ranches producing for export. Many operators of the latter are familiar with U.S. practices and the types of cattle demanded by that market.

Approximately 25 percent of the cattle are on "ejido" holdings. The ejidos are village organizations which control expropriated land. In most cases this land is owned and worked by individual families, but some ejidos are operated as collectives. On most of them, livestock is individually owned but pastured collectively on community range land.

Most Mexican livestock raisers do not follow modern management practices and have no breed improvement programs. On some of the better ranches foundation herds have been established by importing pedigree breeding stock from the United States and a definite breeding program is practiced.

The cattle industry in northern Mexico is based on the production of stocker and feeder steers for export to the United States. Inadequate feed resources, and transportation difficulties surrounding the movement of slaughter cattle to populated regions in central Mexico have caused the industry to develop around calf exports.

The principal marketing season is from January to April, when the larger calves weighing from 350 to 500 pounds are exported to the United States as pastures dry up. Slower developing calves are generally marketed the following fall or early winter. Steers generally make up about 90 percent of the cattle exports, and the majority are about 12 months of age. Approximately two-thirds of the cattle exported during the past 5 years were listed as Herefords, about 22 percent were native cattle commonly known as "Corrientes." The remainder were crossbreeds of Hereford, Brahman, and Angus ancestry.

A cattle feeding industry is developing around Mexico City and particularly in northern Mexico, where a substantial yearly surplus of cottonseed meal is available. However, as long as northern ranchers continue to obtain relatively higher prices for live steers from U.S. buyers, there is no incentive to finish stock for domestic slaughter.

Operators of the larger ranches in northern Mexico usually maintain contact with buyers in the United States. The smaller operators often sell to dealers organized for exporting cattle. Commission buyers along the border often have orders to purchase cattle for U.S. customers.

In other parts of the country most of the cattle are sold to buyers who take them to the larger cities for slaughtering. Some of the cattle and most of the sheep and goats are slaughtered on farms and ranches for home use and for sale to local distributors.



When cattle are near markets they are usually driven, rather than transported by rail or truck. Railroads still haul well over half of the livestock but more animals are being transported by trucks each year.

### Livestock Prices

Feeder and stocker prices for sales to the U.S. market declined from a record average high of approximately 35 U.S. cents per pound, liveweight, in 1958 to about 25 cents during 1959 and 1960.

Prices of cattle for domestic slaughter advanced sharply during 1960 because of increased demand and some decline in production due to severe drought in some areas. However, at the end of the year, the domestic price was still only about half the price obtained for steers sold to the U.S. market. Government controlled retail price ceilings on meat have tended to keep livestock prices down.

### Slaughtering Facilities

Most of the cities have municipal slaughter houses, but few are equipped with modern facilities. An exception to this is the plant in Mexico City which has recently been rebuilt and equipped with the most modern machinery and slaughtering facilities.

This plant, far the largest in Mexico, handles about 90 percent of the slaughter of livestock and poultry for consumption within the Federal District. A government-owned corporation is in charge of the slaughterhouse and the wholesale distribution of meat. It also operates a rendering plant and hide cellar, manufactures sausage and other processed products and is now beginning a large scale cattle fattening operation.

When there was an embargo on live cattle shipments to the United States because of the foot-and-mouth disease outbreak, some 20 packing plants were constructed in northern Mexico to provide an outlet for surplus cattle. Most of these plants are modern, sanitary, and efficiently operated. Since the embargo was lifted in 1955, export quotas on live cattle have been used to enable these plants to procure animals for slaughter and continue the export trade in refrigerated beef to the United States. Only the slaughterhouses in northern Mexico which have been allotted an annual export quota are permitted to engage in this trade.

### Slaughter and Meat Production

Cattle slaughter for 1960 is estimated at approximately 2.7 million head, a drop of 8 percent from the record high of 1958.

Hog slaughter declined for the third successive year and the 1960 kill of 2.5 million head showed a decline of 21 percent from the high reached in 1957.

There was a slight increase in sheep and lamb slaughter. Goat and kid slaughter have not changed significantly in recent years.

Mexican meat production for 1960 is estimated to have been 11 percent below the record high of 1.5 billion pounds in 1958. Severe drought in some of the important producing zones is blamed.

### Foreign Trade

Except for the northern part of the country, the livestock industry in Mexico is based on supplying the domestic market. The cattle industry in the northern States depends upon exporting feeder and stocker steers to the United States. Recently these producers have increasingly depended upon the United States as a market for boneless manufacturing-type beef derived from the local slaughter of old cows and other low-grade animals.

U.S. imports of cattle from Mexico reached a postwar high in 1958, when feeder steer prices were at record levels in the U.S. market. Imports during 1960 were 20 percent lower, largely because of a price drop.

Mexico, for 50 years, has been a major market for pedigreed livestock from the United States. Since 1956, the Mexican Government has obtained financial assistance from the Export-Import Bank of Washington and made loans to enable cattlemen to buy U.S. beef breeding cattle. Practically all of the bulls on the larger ranches in northern Mexico are imports from the United States. Substantial numbers of purebred dairy cattle, hogs, and sheep have been imported during the past decade, over 90 percent of which came from the United States.

Practically all of Mexico's lard and tallow imports are from the United States. Since 1958, this trade has been sharply reduced by import restrictions designed to increase domestic production of fats and oils.

### Domestic Meat Consumption

Total red meat consumption, with the exception of horse and mule meat which is relatively insignificant, declined in about the same proportion as production.

On a per capita basis, consumption amounted to 36.4 pounds, the lowest in more than 5 years. Per capita meat consumption in Mexico is considerably lower than in most other Latin American countries. For example, consumption in Chile in 1959 was 58 pounds, in Brazil 64 pounds, and in Argentina 66 pounds. Consumption in the United States was 160 pounds.

### Competitive Aspects

Mexico has a long history of cattle trade with the United States. By 1913, nearly 400,000 head were being shipped to the United States annually. Since that year, the volume has fluctuated widely in accordance with the U.S. cattle cycle, the long periods of drought, and the raising and lowering of embargos, import duties, and export restrictions.

The U.S. livestock producers who are most affected by competition from Mexican imports are the western cattle ranchers who produce feeders and stockers. Over 90 percent of the animals received from Mexico in recent years are of this classification. However, the southwestern United States does not produce



enough cattle to supply the demand of feedlots in this area and it is necessary to import feeders from other parts of the United States or from Mexico. About two-thirds of the Mexican cattle imported go directly to feedlots and the remainder to ranges for further grazing.

Some progress has been made in developing a feeding industry in northern Mexico, based upon marketing good quality carcass beef in the United States. Land that may be devoted to the growing of cattle feed with the aid of irrigation is gradually being developed and a substantial yearly surplus of cottonseed meal is available. As yet, however, most of the meat exports consist of boneless, manufacturing beef from low-grade cattle.

Table 1.--LIVESTOCK: Mexican numbers on farms,  
average 1951-55, annual 1957-60 1/

Type	Average 1951-55	1957	1958	1959	1960
	1,000	1,000	1,000	1,000	1,000
	<u>head</u>	<u>head</u>	<u>head</u>	<u>head</u>	<u>head</u>
Cattle.....	17,200	18,700	18,900	20,000	21,000
Hogs.....	6,670	8,220	8,400	8,400	7,940
Sheep.....	5,040	5,350	5,360	5,380	5,600
Goats.....	9,000	9,100	8,900	9,000	9,000

1/ As of June 1 of year shown.

Table 2.--LIVESTOCK: Slaughter by type,  
annual 1956-60

Year	Cattle and calves	Hogs	Sheep and lambs	Goats and kids
	1,000	1,000	1,000	1,000
	<u>head</u>	<u>head</u>	<u>head</u>	<u>head</u>
1956...	2,400	2,920	870	3,650
1957...	2,680	3,100	900	3,650
1958...	2,975	3,066	926	3,612
1959...	2,810	2,680	952	3,650
1960...	2,740	2,460	1,040	3,600

Table 3.—MEAT AND MEAT PRODUCTS: Mexico's production, trade, and domestic consumption, carcass weight, average 1951-55, annual 1956-60

Commodity	Average 1951-55	1956	1957	1958	1959	1960 <sup>1/</sup>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Production:						
Beef and veal...	781	794	886	934	880	856
Pork.....	311	406	431	420	365	335
Lamb, mutton, and goat.....	119	111	112	114	117	120
Total.....	1,211	1,311	1,429	1,468	1,362	1,311
Lard <sup>2/</sup> .....	88	116	123	84	76	60
Tallow and greases.....	64	52	58	45	45	42
Total.....	152	168	181	129	121	102
Imports:						
All meats <sup>3/</sup> ....	1	2	7	7	5	3
Lard.....	32	15	12	15	6	11
Tallow and greases.....	49	73	41	53	13	5
Total.....	81	88	53	68	19	16
Exports:						
All meats <sup>4/</sup> ....	68	24	32	108	71	72
Consumption:						
Beef and veal...	713	770	854	826	809	784
Pork.....	312	408	438	427	370	338
Lamb, mutton, and goat.....	119	111	112	114	117	120
Total.....	1,144	1,289	1,404	1,367	1,296	1,242
Lard.....	120	131	135	99	82	71
Tallow and greases.....	113	125	99	98	89	47
Total.....	233	256	234	197	171	118

<sup>1/</sup> Preliminary. <sup>2/</sup> Estimated production of rendered lard. <sup>3/</sup> Chiefly pork.  
<sup>4/</sup> Chiefly beef.



Table 4.--CATTLE: U.S. imports from Mexico, dutiable and free, annual 1945 and 1955-60 1/

Year	Dutiable cattle										Breed- ing cattle (free)	Total
	700 pounds and over			Under 700 pounds								
	Cows for dairy purposes	Other	Total	Under 200 pounds	200 to 699 pounds	Total	Total duti- able cattle					
	Head	Head	Head	Head	Head	Head	Head	Head	Head	Head		
1945.....	62	41,917	41,979	1,315	392,132	393,447	435,426	9	435,435			
1955.....	1,424	56,153	57,577	539	189,631	190,170	247,747	4	247,751			
1956.....	1,684	11,124	12,808	848	96,594	97,442	110,250	6	110,256			
1957.....	480	44,236	44,716	7,914	283,842	291,756	336,472	5	336,477			
1958.....	1,255	80,589	81,844	3,231	403,166	406,397	488,241	---	488,241			
1959.....	1,597	45,697	47,294	1,037	317,095	318,132	365,426	30	365,456			
1960.....	371	19,631	20,002	1,773	369,113	370,886	390,888	---	390,888			

1/ Imports from Mexico were suspended during the periods: June 5-October 18, 1946; December 27, 1946-September 1, 1952; and May 23, 1953-January 1, 1955, because of foot-and-mouth disease outbreaks.

Compiled from official records of the Department of Commerce.

Table 5.--LIVESTOCK: U.S. exports to Mexico,  
average 1951-55, annual 1956-60

Type	Average 1951-55	1956	1957	1958	1959	1960
	<u>Head</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>
Beef cattle						
for breeding...	3,454	11,515	24,459	4,988	4,746	5,125
Dairy cattle						
for breeding...	<u>1/</u>	<u>1/</u>	<u>1/</u>	3,015	3,798	5,599
Other cattle....	1,640	3,119	2,156	583	292	486
Hogs.....	840	5,971	1,256	25	8,374	722
Sheep.....	8,165	40,978	1,492	1,135	1,231	1,410

1/ Included with beef cattle.

Compiled from official records of the Department of Commerce.

Table 6.--CATTLE: Mexican export quotas, by State or Territory,  
September 1, 1960 to August 31, 1961

State or Territory of origin	Exported alive	Slaughtered for export	Total quota
	<u>Head</u>	<u>Head</u>	<u>Head</u>
Sonora.....	119,722	56,069	175,791
Chihuahua.....	124,429	57,991	182,420
Coahuila.....	42,379	22,305	64,684
Nuevo León.....	27,468	16,215	43,683
Tamaulipas.....	19,622	13,011	32,633
Durango, North.....	17,265	12,050	29,315
Durango, South.....	25,899	15,575	41,474
San Luis Potosi.....	---	25,000	25,000
Zacatecas.....	---	35,000	35,000
State of Baja California.....	3,608	1,392	5,000
Territory of Baja California.....	3,608	1,392	5,000
Sinaloa, North.....	---	12,500	12,500
Sinaloa, South.....	---	12,500	12,500
Nayarit.....	---	20,000	20,000
Colima.....	---	10,000	10,000
Jalisco.....	---	55,000	55,000
Total.....	384,000	366,000	750,000

National Livestock Confederation.



Table 7.--MEAT: Mexican consumption per capita, carcass weight, average 1951-55, annual 1957-60

Year	Beef and veal	Pork	Lamb, mutton, and goat meat	Total
Average:	<u>Pounds</u>	<u>Pounds</u>	<u>Pounds</u>	<u>Pounds</u>
1951-55.....	25.5	11.1	4.3	40.9
Annual:				
1957.....	27.2	13.9	3.6	44.7
1958.....	25.6	13.2	3.5	42.3
1959.....	24.4	11.1	3.5	39.0
1960.....	23.0	9.9	3.5	36.4

Table 8.--MEAT AND MEAT PRODUCTS: U.S. imports from Mexico, product weight, annual 1957-60

Year	1957	1958	1959	1960
	<u>Million</u>	<u>Million</u>	<u>Million</u>	<u>Million</u>
Beef and veal:	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Boneless.....	12.8	67.8	38.4	37.1
Bone-in.....	.1	6.0	10.0	2.0
Other meat:				
Canned.....	.2	1.3	.4	.1
Variety meats.....	---	.5	.5	.1

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Table 9.--MEAT AND MEAT PRODUCTS: U.S. exports to Mexico, product weight, annual 1957-60

Commodity	1957	1958	1959	1960
	<u>Million</u>	<u>Million</u>	<u>Million</u>	<u>Million</u>
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Pork, fresh or frozen	3.4	5.3	10.8	5.4
Variety meats.....	2.0	1.0	3.2	3.5
Lard.....	11.8	14.6	10.5	9.5
Tallow.....	40.1	49.8	15.7	9.6
	<u>1,000 pcs.</u>	<u>1,000 pcs.</u>	<u>1,000 pcs.</u>	<u>1,000 pcs.</u>
Cattle hides.....	425	330	504	564

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